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SIPDIS

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TAGS: IS_KMDR MEDIA REACTION REPORT
SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

11. Netanyahu Resignation

12. Israeli Arabs

Key stories in the media:

All media reported that on Sunday, immediately before the cabinet voted the final approval for the evacuation of the Gaza Strip settlements of Kfar Darom, Netzarim, and Morag, Finance Minister Binyamin Netanyahu tended his resignation. (The decision was approved 16-5. Likud ministers Netanyahu, Limor Livnat, Danny Naveh, Yisrael Katz, and Tzachi Hanegbi opposed the move.) At a subsequent press conference, Netanyahu said he no longer wanted to be part of a policy that he said was leading the country "blindly" to the establishment of an extremist Islamic base in Gaza that could threaten Israel's existence. Both Yediot and Maariv banner that Netanyahu is "disengaging." Pro-settler Hatzofe banners: "A New Hope." PM Sharon named Vice PM Ehud Olmert Acting Finance Minister.

Israel Radio quoted Defense Ministry Director General Amos Yaron as saying at a press conference today that the solution found for razing the houses in the settlements was satisfactory: Israel will raze the houses and will remove any hazardous waste material; the Palestinians will remove the rubble. Some of the rubble that is not used may be buried in Sinai. The cost of removing the rubble is projected to run between USD 25 and 30 million. Israel will turn this sum over to a World Bank organization that will supervise the work by means of subcontractors. Yaron was quoted as saying that the overall cost of the disengagement plan is expected to come to 1.9 billion shekels (approx. USD 424.6 million).

Leading media reported that a reconstruction of the lynching of the Jewish terrorist Eden Natan-Zada shows that he was killed after some policemen stepped off the bus in which he had carried out his attack. Leading media reported that the Israeli-Arab leadership warned the police on Saturday not to investigate the killing of Natan-Zada, stating that Shfaram residents "are themselves victims of racist terror." All media reported that, as acting religious affairs minister, Sharon authorized Natan-Zada's burial in the civilian cemetery of Rishon Letzion, after several cemeteries announced they would not accept his body. On Sunday, leading media highlighted a series of major failures -- including lack of dialogue between the IDF and the Shin Bet -- as the defense establishment did not identify in time the danger posed by Natan Zada. Yediot and Israel Radio reported that on Sunday, Defense Minister Shaul Mofaz placed three activists of the outlawed far-right movement Kach under administrative detention.

On Sunday, Yediot reported that Hamas announced during the weekend that it would retaliate for the Shfaram killings, but that Israel's Islamic Movement subsequently released a statement urging Hamas not to do so.

All media reported that a 10-year-old Israeli boy was seriously wounded Sunday in a drive-by shooting near Ramallah. Maariv reported that Fatah claimed responsibility for the attack, saying it was in retaliation for the Shfaram bus killings.

Ha'aretz reported that IDF officers have dismissed as

inflated settlers' estimates, according to which 4,000 Israelis are currently in the Gaza Strip illegally.

Hatzofe cited the Qatari newspaper Al-Watan as saying Sunday that the Lebanese army will deploy along the Lebanon-Israel border by the end of the year. Al-Watan reportedly quoted diplomatic sources in Damascus.

Citing Reuters and the Iranian news agency IRNA, Ha'aretz reported that Iran's new president Mahmoud Ahmadinejad told Syrian President Bashar Assad during his visit to Iran Sunday that the two countries must cooperate against the U.S.

On Sunday, Ha'aretz published an interview it conducted with Chinese Information Minister Zhao Qizheng last week. He reportedly cited his country's anger over the U.S. interference in Israeli arms sales to China, saying this was "another example of American hegemony."

During the weekend, the media reported that four cruise ships transporting 3,500 passengers were rerouted on Friday from Turkish ports of call to Cyprus harbors, because of an alert about a possible Al-Qaida attack.

On Sunday, citing Jewish Telegraphic Agency, Jerusalem Post reported that former AIPAC staff members Steve Rosen and Keith Weissman, who were involved in the affair of Pentagon analyst Larry Franklin face up to 10 years in prison.

On Sunday, Ha'aretz reported that a Presbyterian committee on Friday accused four companies of contributing to the "ongoing violence that plagues Israel and Palestine." The Church named Caterpillar, Motorola, United Technologies, and ITT, which all supply the IDF, and the banking conglomerate Citigroup, which has reportedly channeled funds to Palestinian terrorist groups.

A Yediot/Mina Zemach (Dahaf Institute) poll conducted Sunday night:

- "Following Netanyahu's resignation, should the disengagement be carried out?" Yes: 55 percent (58 percent in a previous poll); no: 39 percent (35 percent in a previous poll); 6 percent are undecided (7 percent in a previous poll).

- "Did the Finance Minister act properly when he announced his resignation?" Netanyahu was wrong: 48 percent; he was right: 46 percent.

- "Why do you believe Netanyahu resigned?" He wanted to prepare for a contest with Sharon over Likud chairman chairmanship: 47 percent; he did not want to be a partner in the evacuation of settlements: 29 percent; he reached the conclusion that he failed as finance minister: 10 percent.

- "If the Likud wins the next elections, who should be PM?" Sharon: 38 percent; Netanyahu: 30 percent; neither of the two: 30 percent; either of them: 2 percent.

A Maariv/Teleseker poll conducted Sunday night: "Should Netanyahu have resigned?" Yes: 52 percent; no: 36 percent.

Ha'aretz published the results of Tel Aviv University's Peace Index poll, conducted August 2-4:

- 60 percent of Israelis (57 percent of Israeli Jews) are in favor of disengagement; 34 percent are opposed.

- 73 percent believe that the disengagement plan represents only the first step toward an expanded evacuation of West Bank settlements; 20 percent believe there will be no further evacuations.

11. Netanyahu Resignation:

Summary:

Senior columnist Nahum Barnea wrote on page one of mass-circulation, pluralist Yediot Aharonot: "His resignation, which a year ago could have turned the [disengagement] decision around, will make no difference. He knows this."

Diplomatic correspondent Ben Caspit wrote on page one of popular, pluralist Maariv: "There were also political considerations [in Netanyahu's resignation].... He is closely watching the growing popularity of [chief Likud 'rebel'] Uzi Landau."

Independent, left-leaning Ha'aretz editorialized: "Binyamin Netanyahu's resignation ... places him ... as the leader of the extreme right in Israel."

Conservative, independent Jerusalem Post editorialized: "We hope and expect that Netanyahu will use his new position at the head of the anti-disengagement camp to set bright red lines against attempting to thwart disengagement by refusal and by force, even in a supposedly non-violent manner."

Block Quotes:

I. "Free Is All Alone"

Senior columnist Nahum Barnea wrote on page one of mass-circulation, pluralist Yediot Aharonot (August 8): "The question was how and when to resign. Netanyahu, a chronic latecomer, was politically late by several months. In the meantime, disengagement had become a fact. His resignation, which a year ago could have turned the decision around, will make no difference. He knows this. A few weeks ago, when I quoted sources on the Right who asserted that 'it all depends on Netanyahu,' he hurried to explain that nothing depends on him. The evacuation is going to be approved by the automatic majority in the cabinet and the Knesset. There is nothing that can be done about that.... It is very possible that Netanyahu is right when he warns against the establishment of an Islamic terrorist state in Gaza that will drown Israel in blood. Perhaps he is also right when he anticipates that disengagement will only heighten the diplomatic pressure on Israel. If his prophecies of doom come true, all eyes will be on him. His key word yesterday was 'blindness': the government is going into disengagement blindly, like another government went to Oslo. It doesn't matter that he accepted Oslo out of electoral constraints, just as he accepted disengagement out of ministerial constraints. 'Blindness' is a catchphrase that will recur over the coming weeks and months."

II. "Not Only Ideology"

Diplomatic correspondent Ben Caspit wrote on page one of popular, pluralist Maariv (August 8): "At Thursday's [anti-disengagement] demonstration in [Tel Aviv's] Rabin Square, Netanyahu will undoubtedly deliver a speech and everybody will shout very loud to [Likud ministers] Danny Naveh, Limor Livnat and Yisrael Katz to follow Bibi's example. The flagging hopes of the demonstrators have been revived. Sharon will endeavor this morning to nip them in the bud while they are still in manageable proportions. His spokespeople will tell every available forum that the disengagement plan will be executed on the appointed date.... He has grown wings by virtue of this resignation.... The diplomatic developments, the supply of ammunition to the Palestinians, the decision to permit construction of the seaport in Gaza, and the withdrawal from Philadelphi Road, influenced Netanyahu's decision to resign. But it was not only due to ideology. There were also political considerations. Netanyahu is constantly commissioning, reading and analyzing polls. He is closely watching the growing popularity of [chief Likud 'rebel'] Uzi Landau."

III. "Leader of the Extreme Right"

Independent, left-leaning Ha'aretz editorialized (August 8): "Binyamin Netanyahu's resignation from the government right before the disengagement places him, finally, in the spot that suits him -- as the leader of the extreme right in Israel.... In resigning, Netanyahu contributed support and momentum to the camp of the lawbreakers, which is threatening to thwart the implementation of the Knesset decision on the evacuation of the settlements in Gaza and the northern West Bank that passed by a wide majority. Netanyahu decided to resign now to garner momentary credit, precisely when the country desperately needs responsible leadership.... If the evacuation of Gaza takes place on time and is completed as planned, Netanyahu's resignation, which now looks dramatic, will be recorded as ephemeral. Perhaps it will also signal the beginning of a reform of the political system and the reorganization of political parties, based on their genuine, updated platforms. On one side will be the camp of the supporters of Greater Israel and the occupation, and on the other side will be the parties that support democracy in an Israel with redrawn borders."

IV. "Exit Netanyahu"

Conservative, independent Jerusalem Post editorialized

(August 8): "If a situation in which disengagement opponents had no significant political representation was an unhealthy anomaly, then Netanyahu's resignation has restored a degree of coherence to the system as a whole.... Netanyahu has begun a battle for the heart of the Likud. Just as Netanyahu did not reverse, and in fact reluctantly advanced, the Oslo agreement that he opposed and inherited, it is hard to imagine him reversing disengagement; indeed, he made clear again on Sunday that he did not believe it could now be reversed. At the same time, the paths forward that Netanyahu and Sharon represent seem, at this moment, to be irreconcilable.... With the race that is emerging between them, the voter will be given a choice between something akin to the old Likud and the new path Sharon represents. In the meantime, we hope and expect that Netanyahu will use his new position at the head of the anti-disengagement camp to set bright red lines against attempting to thwart disengagement by refusal and by force, even in a supposedly non-violent manner. In this crucial role at this critical moment, ironically, Netanyahu could have much greater influence than he had in his cabinet post."

12. Israeli Arabs:

Summary:

Zuheir Andrawus, Editor-in-Chief of the Israeli-Arab newspaper *Kul Al-Arab*, wrote in mass-circulation, pluralist *Yediot Aharonot*: "There is no other option for [Israeli Arabs] ... than to resort to the international organizations."

Block Quotes:

"An Explosive Situation"

Zuheir Andrawus, Editor-in-Chief of the Israeli-Arab newspaper *Kul Al-Arab*, wrote in mass-circulation, pluralist *Yediot Aharonot* (August 8): "The terrorist attack in Shfaram was the result of wild incitement against us [Israeli Arabs].... Israel's leaders must internalize the fact that for the first time since the foundation of the states, [Israeli] Arabs have turned into a preferred and easy target of Jewish terror.... The terrorist attack proved conclusively that Israel is incapable of protecting its Arab 'citizens.' Thus, there is no other option for a national minority that is discriminated against in all domains, than to resort to the international organizations, so that they convince the Western countries to provide it protection or tutelage. The internationalization of the situation will be useful if we can take advantage of the momentum."

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